NEWSPAPER

#4B**********5-DIGIT 20814
#020190949 6#01AA10652 99K6Z
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
BETHESDA MD 20814

Advertising Age

Crain's International Newspaper of Marketing • In Two Sections • Section 1 • $2.50 • $3.00 in Canada • £3.50 in U.K.

TV's upfront: Caution

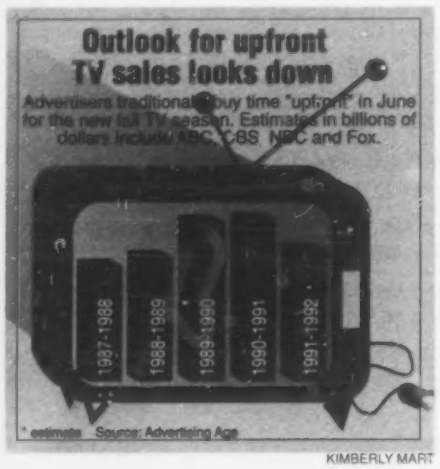
By Wayne Walley

Network TV's upfront market, normally a frenzy of buying activity, won't be the same this year.

Many people predict a significantly softer marketplace in the early-summer period when advertisers make buying commitments for the 1991-92 prime-time season.

Caution is the buzzword.

"The upfront is a gigantic crapshoot," said an executive of a major network advertiser who asked to remain anonymous. "Sometimes you are right on and you buy exactly what you need. [In last year's upfront for the current TV season] we bought too much. . . . We will be much more cautious."


Outlook for upfront
TV sales looks down
Advertisers traditionally buy time "upfront" in June for the new fall TV season. Estimates in billions of dollars include ABC, CBS, NBC and Fox.
1987-1988
1988-1989
1989-1990*
1990-1991
1991-1992
* estimate Source: Advertising Age

KIMBERLY MART

Although this kind of early talk is often dismissed by buyers and sellers as rhetoric and "bargaining in the press," the sober fact is that few ad budgets are likely to grow in 1991.

"I haven't heard of anyone who's spending a large amount of money, and there aren't a lot of introductions of new products on the horizon," the advertiser said.

War jitters and an uncertain economy, coupled with the continued bargains available in the

(Continued on Page 44)

Kraft, Campbell on health kick

New food items take on ConAgra

By Julie Liesse and Judann Dagnoli

Kraft General Foods and Campbell Soup Co. are targeting ConAgra's popular Healthy Choice brand in what looks like a game of catch-up in the food industry.

As ConAgra tests Healthy Choice line extensions in a variety of product categories, No. 1 food marketer Kraft General Foods is ready to test a broad line of "foods for healthier eating" called Kraft Alternatives.

Campbell, burned by Healthy Choice's success in frozen meals, is restaging its LeMenu LightStyle as LeMenu Healthy dinners.

Kraft USA's Kraft Alternatives line starts market-testing this month and is clearly patterned after Healthy Choice, even though the products don't directly compete with that brand as yet.

Not only will the new Kraft products pitch an umbrella nutritional concept but the unifying packaging is green—the Healthy Choice color that's apparently becoming the standard for new nutritional foods.

The 10-item Alternatives line offers products low in calories, cholesterol and fat in six of Kraft's biggest categories—representing food sales of about $6 billion—and appear in multiple areas of the supermarket.

ConAgra's avowed goal with Healthy Choice is to expand to categories throughout the supermarket.

Kraft Alternatives' four dairy products include cream cheese, cheese slices similar to Kraft Singles American cheese and a mozzarella chunk cheese, while a table spread will compete in the margarine category.

In the dry grocery aisles, Kraft Alternatives will offer a Miracle Whip-type spoon-

(Continued on Page 44)

FDA order halts P&G, Colgate toothpaste intros

By Jennifer Lawrence and Judann Dagnoli

Procter & Gamble Co. and Colgate-Palmolive Co. are racing to get the next generation of "super protection" toothpastes to market, but the Food & Drug Administration has called timeout.

P&G, on the brink of introducing Ultra Protection Crest, learned last week the product is likely to be delayed for at least two years because the FDA has determined the toothpaste's active ingredient—triclosan—is a new drug.

The new Crest formula is said to fight gum disease.

The halt order is a dramatic and embarrassing blow to P&G, since the marketer had already presented the product to the retail trade. An estimated $32 million ad campaign from D'Arcy Masius Benton & Bowles, New York, to support the launch has been scrapped.

The anti-bacterial triclosan must undergo the FDA's new-drug application process, which can take from 24 to 36 months to complete, once the supporting data have been filed.

The FDA's position on triclosan also appears to be a setback for Colgate, the leader in the $3 bil-

(Continued on Page 44)

Doug Goodman

Rallying retailers

Retailers are tapping into the patriotic fervor sweeping the U.S. Bloomingdale's opened a "Stars & Stripes" boutique (l.), while Foley's and Carson's ran ads supporting the troops. **See story on Page 4.**

LAST MINUTE NEWS

Livingston buying K/D/P

LOS ANGELES—Keye/Donna/Pearlstein is being bought by Seattle-based Livingston & Co., sources said. K/D/P Chairman Paul Keye is expected to join Livingston's recently opened office here in a principal position. President-CEO Leonard Pearlstein apparently will be leaving. The $5 million Coast Federal Bank account will go to Livingston with Mr. Keye. Two other major accounts at the $40 million K/D/P—the California Department of Health's $28.6 million, 18-month anti-smoking effort and the Department of Commerce's $5 million tourism business—will be up for review this summer. Both accounts are closely associated with Mr. Keye, who wouldn't comment Friday. Roger Livingston, president of Livingston & Co., wasn't available for comment.

Wal-Mart's No. 1

BENTONVILLE, Ark.—Wal-Mart officially become the nation's largest retailer in 1990. Wal-Mart reported retail sales of $32.6 billion, up 26%, followed by Kmart with about $31 billion, up 8.9%. Sears, which had held the top spot, had retail sales of about $26.6 billion, up 6%, said Stacy Dutton, eq-

(Continued on Page 8)

INSIDE

Laurel Cutler talks about her work, the economy and the war

See Page 4

Ad Age names top 200 brands P. 18 • **Special look at Germany** P. 25 • **Data bases retreat** P. 28

The Standard In Quality.

ROLLS ROYCE

CARTIER

DOM PERIGNON

CAMELOT

WHEEL OF FORTUNE.

JEOPARDY!.

INSIDE EDITION.

THE OPRAH WINFREY SHOW.

CANDID CAMERA.

INSTANT RECALL.

SHOWTIME AT THE APOLLO.

JAMES BOND JR.

JAMES BOND Jr. Logo - TM and © 1991 Danjaq S.A. and United Artists Financing Company

NATIONAL ADVERTISING BY

CAMELOT

A KING WORLD COMPANY

When you think advertising. Think Camelot.

NEW YORK: 212-315-4747 • CHICAGO: 312-236-4900

Rolls Royce, Cartier and Cuvee Dom Perignon are registered trademarks of Rolls Royce plc, Cartier Inc., and Schieffelin & Co., none of whom has sponsored this advertisement. ©1991 King World. All Rights Reserved.

NEWS SUMMARY

- **Kraft General Foods** will test Kraft Alternatives, a line of "foods for healthier eating" patterned after ConAgra's expanding Healthy Choice line. Campbell Soup Co. is restaging LeMenu LightStyle as LeMenu Healthy. **1**
- **Upfront spending** for prime-time TV advertising for 1991-92 may decline 10% to 15% this year. **1**
- **Food & Drug Administration** blocked U.S. marketing of new Crest and Colgate toothpastes for further testing of an ingredient said to fight gum disease. **1**
- **Patriotic sentiment** is leading more Americans to consider buying U.S. cars, two studies suggest. **3**
- **Volvo Cars of North America** selected Messner Vetere Berger Carey Schmetterer as its new agency. **3**
- **Association of National Advertisers** asked the National Advertising Division self-regulatory unit to consider issuing environmental marketing guidelines. **3**
- **Bacardi Breezer,** bucking liquor industry trends, will get an $18 million advertising and promotion campaign. **3**
- **Retailers** are countering a war-related sales slump with patriotic marketing and merchandise. **4**
- **Walt Disney Co.** has set a variety of cross-promotion and licensing deals for three upcoming films. **6**
- **MasterCard and Visa** both plan retail-oriented promotions in the second quarter. **6**
- **Oil companies** have been holding back on advertising since the Persian Gulf War began, but some are now turning to informational ads. **12**
- **Benetton's** new "United Colors" print campaign features condoms of various colors in support of AIDS prevention. .. **16**
- **Haagen-Dazs Co.** will use TV advertising for the first time, in part to back its new frozen yogurt line. **16**
- **Lotus Development Corp.'s** decision not to market MarketPlace:Households software is another sign of consumer revolt against marketing data bases. **28**
- **Environmental standards** are a bone of contention between two groups offering green logos to marketers. **34**
- **Federal Communications Commission** has asked for comments on how to implement, starting next fall, the Children's TV Act of 1990. ..... **35**
- **U.S. pickup truck** marketers are bracing for new competition from Japanese manufacturers. **38**
- **Tourism advertising** around the world is being trimmed due to reduced international travel. But the U.S. travel industry may mount a campaign to attract foreign visitors. . **41**
- **Young & Rubicam** lost two executives in Europe. **43**
- **Lord, Dentsu & Partners** laid off 25 employees after losing Dannon Yogurt Co., now in review. **43**
- **Hardee's Food Systems** kept Ogilvy & Mather as its agency after a review. **46**

DEPARTMENTS

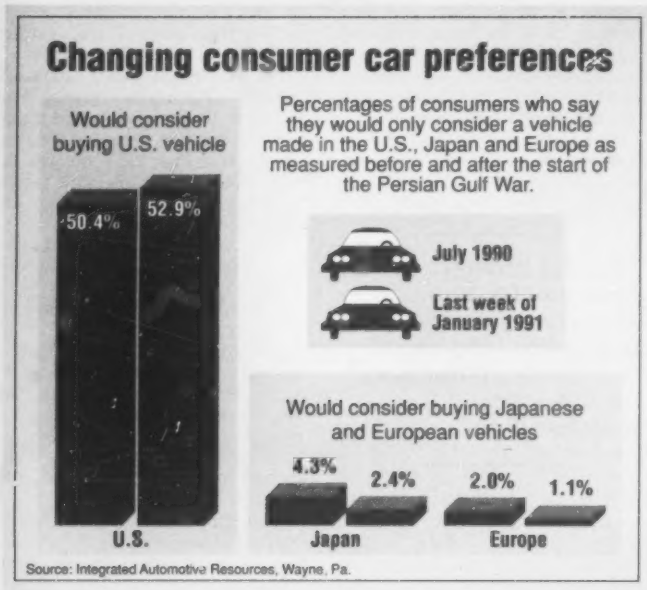
Ad Review	46	For the Record	41
James Brady	24	Forum	23
Brady's Bunch	30	Letters	23
Classifieds	36	People Moving	30
Con-Sid-erations	22	Photo Review	32
Corrections & Clarifications	23	Research News	28
DataWatch	46	The Next Trend	24
Editorials	22	Joe Winski	24

Contents copyright 1991 by Crain Communications Inc. All rights reserved.

Vol. 62, No. 7—ADVERTISING AGE (ISSN 0001-8899) is published weekly (except special issues the fourth week in January and the fourth week in September) by Crain Communications Inc. at 740 Rush Street, Chicago, Ill. 60611-2590. Second-class postage paid at Chicago and additional mailing offices. Postmaster: Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. $2.50 a copy; $79 a year, $130 two years. Add $126 per year for air delivery to Europe & Middle East. Add $54 for surface mail to all other foreign countries. WILLIAM STRONG, VP-circulation, DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to: Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207-3185. 1-800-678-9595. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, Ohio 44691. AD AGE is available for electronic retrieval on the NEXIS® Service, Mead Data Central, Inc., P.O. Box 933, Dayton, Ohio 45402 (800 227-4908).

Getting mileage from patriotism

Renewed fervor hikes interest in U.S. cars


Changing consumer car preferences
Would consider buying U.S. vehicle
Percentages of consumers who say they would only consider a vehicle made in the U.S., Japan and Europe as measured before and after the start of the Persian Gulf War.
50.4%
52.9%
U.S.
July 1990
Last week of January 1991
Would consider buying Japanese and European vehicles
4.3%
2.4%
Japan
2.0%
1.1%
Europe
Source: Integrated Automotive Resources, Wayne, Pa.

HOLLY SEGUINE

By Raymond Serafin and Cleveland Horton

A swelling of patriotic sentiment appears to be boosting consumer consideration of domestic cars.

That trend could be accentuated by a possible political backlash against Japan and Germany over their limited roles in the allied effort in the Persian Gulf War.

Two separate surveys suggest Americans look upon U.S. car brands more favorably now than they did before U.S. troops arrived in the Gulf last August. The surveys were conducted by Integrated Automotive Resources, a marketing consultancy, and BBDO Worldwide, New York, whose Detroit area office handles Chrysler Corp.'s Dodge division.

Whether the sentiment translates into any lasting market-share changes remains to be seen.

It may turn out that favorable consideration for U.S. products is at its peak precisely when most people are putting off shopping for new vehicles because of economic uncertainties exacerbated by the war.

Also, any attempt by the U.S. competitors to tie the flag to their products would be viewed by many consumers as cynical opportunism.

Volkswagen U.S. is "cognizant of the trend, and we're watching it carefully," said Ron Dusenberry, manager of advertising.

In recent VW focus groups, consumers have spontaneously raised the issue of the Japanese role in world affairs, Mr. Dusenberry said.

"They're not necessarily hostile, but you get the idea they are going to be watching and interpreting events," he said.

VW has no plans to shift away from emphasizing its German heritage in its "Fahrvergnugen" ad campaign, Mr. Dusenberry said, describing any such move as an overreaction. DDB Needham Worldwide, New York and Troy, Mich., created the campaign.

He suggested VW is less at risk than Japanese brands or luxury

(Continued on Page 45)

GULF CRISIS

- Retailers roll out patriotic merchandise—P. 4
- Oil companies try to work around image problems—P. 12
- Travel campaign targets Europeans—P. 41

Volvo makes shift

Pay plan tied to sales helps Messner

By Raymond Serafin and Jon Lafayette

A compensation proposal tied to Volvo's future performance helped Messner Vetere Berger Carey Schmetterer, New York, win a three-way contest for the $40 million Volvo Cars of North America account.

The agency's creative pitch played a big part, too, by communicating Volvo's traditional ad themes of safety, reliability, durability and value "in very compelling, human ways," said Bob Austin, manager of public relations and one of six Volvo executives involved in the final review.

■ O&M keeps Hardee's account—Page 46.

The agency's work won't break until sometime after April 1, when it officially takes over from Scali, McCabe, Sloves. Scali resigned last November after revelations cars had been rigged for a product demonstration commercial in which a "monster" pickup truck failed to crush a Volvo.

William Hoover, Volvo's senior VP-marketing, called agency President Bob Schmetterer on Feb. 6 to say, "Welcome back." Mr. Schmetterer worked for Volvo as market research director starting in 1967 and in 1971 moved to Scali, where he was managing director of the Volvo account.

The other finalists were Altschiller Reitzfeld/Tracy-Locke and Rosenfeld, Sirowitz, Humphrey & Strauss.

Each agency prepared a national image campaign and a regional market support program, with Volvo reimbursing each up to $15,000 for expenses.

Volvo considered the quality of research, formulation of strategy, application of

(Continued on Page 45)

Greening of NAD?

ANA seeks guidelines from self-regulatory arm

By Steven W. Colford

WASHINGTON—The ad industry's scramble to develop environmental marketing guidelines took a new twist last week when the Association of National Advertisers asked the industry's self-regulatory arm to consider issuing green guidelines.

The ANA's request to the National Advertising Division of the Council of Better Business Bureaus comes as the Federal Trade Commission this week is expected to receive a similar request from a group of major marketers and trade associations, including the ANA (AA, Feb. 4).

The same industry-drafted petition will form the basis for the request to NAD, said ANA President DeWitt Helm Jr.

Mr. Helm acknowledged he expects some critics to charge that the decision to go to NAD is an attempt to keep government out of the advertising guidelines business. But he said advertisers are so anxious for environmental guidelines that going to NAD will save time.

"We already have met with the FTC, and they see this as compatible," Mr. Helm said. "But, knowing that there is bureaucracy everywhere, hopefully the NAD can move more quickly in this regard than the FTC likely will. I'd like to see the NAD's eventual guidelines to be so well thought of and developed that all the FTC would have to do would be to use them as their own."

The ANA's request already has the endorsement of the American Advertising Federation and likely will win support from the American Association of Advertising Agencies, Mr. Helm said. He also said he expected the support of Jim McIlhenney, president of the Council of Better Business Bureaus. Mr. McIlhenney wasn't available for comment.

In addition to saving time, a set of guidelines issued by NAD would provide a road map to avoid regulatory pitfalls. State attorneys general remain active in monitoring green marketing, Mr. Helm noted, and there's no guarantee the FTC won't ulti-

(Continued on Page 42)

Breezer breathes life into liquors

By Patricia Winters

Bacardi Imports' Bacardi Breezer, introduced nationally last April, has shocked competitors, retailers and industry analysts with a phenomenol sales record at a time when liquor sales are declining.

Case sales hit 3.95 million last year, according to figures from John C. Maxwell Jr., analyst with Wheat, First Securities.

Even more amazing is that the low-alcohol, rum-based cooler with fruit juices racked up its gains as wine coolers continued a precipitous decline, Mr. Maxwell said.

One source, Jobson Publishing Co., publisher of "Jobson's Liquor Handbook," said Breezer is now the No. 3 liquor brand behind leader Bacardi rum and Heublein's second-ranked Smirnoff vodka.

Bacardi Breezer also may go down in liquor industry lore as the brand that broke the barriers of liquor marketing.

"They've been able to advertise [Breezer] in places that they couldn't before," said Gail Zelitzky, president of Foremost Sales Promotions, a unit of the 300-unit national Foremost Liquor store chain.

Bacardi has advertised Breezer on TV and radio even though the product is a distilled spirit. Bacardi convinced the Distilled Spirits Council of America in 1988 to ease its self-imposed industry ban on broadcast advertising for spirit-based coolers with an alcohol content of 7% or less.

Bacardi Breezer's alcohol content is 4% by volume, equivalent to most beers and wine coolers.

The TV networks still refuse spirit-based products, though they allow local affiliates to decide for themselves, so Breezer last year got spot TV and spot radio support in addition to print and outdoor.

This year, Bacardi Breezer w[illegible] an $18 million advertising and promotion campaign, complete with a national concert-tour sponsorship. A network radio campaign will be included for the first time.

McCaffrey & McCall, New York, handles the brand.

Bacardi Breezer became one of the hot liquor brands in 1990 partly because of TV advertising.

Keeping Breezer from being a passing fad is a big challenge for Bacardi in 1991.

Breezer could be another peach schnapps, which saw sales skyrocket in the mid-'80s and then take a nose-dive, Mr. Maxwell said.

"A lot of times it's just the kids that think it's a wonderful thing and then after they have their fun, they go on to the next thing," he said.

To prevent that, Bacardi this week will

(Continued on Page 42)

Group's TV spending clout increases in *Ad Age* regular report tracking media expenditures

THE TOP 200 BRANDS

AT&T leads in brand spending

By R. Craig Endicott

AT&T Co. continued to conquer media spending heights, priming its arsenal of products and services with $371.6 million in advertising in the first three quarters of 1990.

The company's 58.9% increase in spending over the same period a year earlier outdistanced all other advertised brand names in the U.S. in *Advertising Age's* Top 200 Brands listing.

McDonald's Corp. was second at $334.7 million, up 5.8% from the first three quarters of 1989. That puts it within striking distance of AT&T when full-year 1990 data are published May 20 by *AA*.

AT&T applied media tonnage in particular to network, spot and syndicated TV, backing long-distance lines with $121.5 million for the three-quarter cumulative.

AT&T rival MCI Communications Corp. was No. 90 among the Top 200 brands; US Sprint was No. 58.

AA calculates the Top 200 brands each quarter from nine-media, year-to-date totals provided by LNA/Arbitron Multi-Media Service.

A "brand" is every product or service marketed under the same name. A brand's ad total can cross LNA/Arbitron-designated subclasses, but brand advertising totals in this ranking include only amounts from those subclasses where spending exceeded $1.5 million.

As a group, the 200, ranging from AT&T's high to No. 200 Arby's restaurants at $21.3 million, claimed 38.3% of the $28.7 billion in advertising spent in the first three quarters by 39,000 brands monitored by LNA/Arbitron.

The 200's media presence claimed 62.5% of all network TV spending, up from 57.5% a year earlier; 33.2% of spot TV, up from 30.9%; and 56.9% of syndicated TV, up from 44.8%.

Renewed third-quarter spending by the Top 200 in consumer magazines kept year-to-year dollar movement in that ad-starved medium in the black. After a 4.1% decline in first-half magazine spending, the 200 boosted their third-quarter magazine outlays 22.7% from the same period in 1989, to elevate all category spending 2.6% for three quarters.

The Top 200 brands accounted for 30% of magazine advertising in that third quarter.

While talk of a recession surfaced in the third quarter, it didn't materialize in media spending. All nine monitored media showed year-to-year increases for the third quarter.

Automobiles, claiming 21% of the Top 200's ad volume, provided a big third-quarter ad stimulus of $706 million, up 45%, to produce a three-quarter cume of $2.3 billion.

The automotive category, consisting of 28 brands, accounted for 38% of the Top 200's ad growth for the quarter.

On a year-to-year basis, spending by foreign auto marketers rose 23.7%, while domestic producers registered an 8.4% advance.

Retailers, the second-largest category, claimed ad spending of $1.19 billion for the three quarters, up 13%. Sears, Roebuck & Co. led retailers at $297.3 million, up 9.5%.

Among retailers, only Campeau Corp.'s No. 170 Bloomingdale's stores and R.H. Macy & Co.'s No. 21 Macy's stores reduced advertising.

Advertising for food—the third-largest group at $1.13 billion from 19 brands—rose 15.6% for the three quarters. Nearly 34% of the category ad volume, or $385 million, was attributed to the nation's largest advertiser for all brands, Philip Morris Cos.

Philip Morris had five food brands on the 200 chart, led by No. 9 Kraft foods.

With 10 brands on the list, the most of any 200 parent, Philip Morris backed its brands with $664.3 million to edge General Motors Corp.'s $632.5 million, supporting seven brands.

Procter & Gamble Co., the nation's second-largest advertiser when all brands are included, backed nine brands with $318.1 million, up 29.4%, but finished eighth among parents of the 200.

The method of ranking by cumulative ad volume may minimize the impact of seasonal ad spending on the list's makeup, but it couldn't stop the summer sun from heating up some budgets.

Of the 12 newcomers to crack the list, most carried seasonal ad luggage. Their leader was Reebok International's Reebok shoes and sportswear at No. 130. Anheuser-Busch's Michelob beers re-entered the list, after a quarterly hiatus, at No. 165.

Thompson Medical Co.'s Ultra Slim-Fast diet products placed 46th. The brand's 314.4% ad growth led all other brands in year-to-year percentage growth.

Chrysler Corp.'s Eagle, No. 128 in first-half advertising, spent only $100,000 in the third quarter to drop from the three-quarter cume. □

Top 10 categories among top 200 brands for three quarters 1990

		Measured ad spending			Ad spending by media			Number
Rank	Category	1990	1989	% chg	Print	Broadcast	Outdoor	of brands
1	Automotive	$2,333.3	$2,025.0	15.2	$595.6	$1,730.6	$7.2	28
2	Retail (non-food)	1,188.9	1,049.2	13.3	673.5	514.4	1.0	20
3	Food	1,128.1	975.8	15.6	93.3	1,034.6	0.3	19
4	Restaurants	953.3	866.0	10.1	8.8	935.4	9.1	11
5	Entertainment & media	781.5	664.0	17.7	298.2	478.8	4.5	16
6	Beverages, coffee	542.0	468.3	15.7	36.7	501.3	4.0	10
7	Cosmetics & toiletries	486.8	430.1	13.0	163.2	322.7	0.1	15
8	Telephone services	469.2	311.5	50.6	88.7	380.2	0.3	3
9	Airlines	378.2	333.4	11.1	224.8	142.0	3.4	8
10	Beer	353.9	381.5	(7.2)	17.9	328.0	8.0	4

Notes: Dollars are in millions. Totals include only brands from within the top 200. January through September 1990. **Source:** LNA/Arbitron Multi-Media Service.

Top 10 parent cos. of brands in top 200 for three quarters 1990

		Measured ad spending			Ad spending by media			Number
Rank	Company	1990	1989	% chg	Print	Broadcast	Outdoor	of brands
1	Philip Morris Cos.	$664.3	$576.5	15.2	$129.5	$493.9	$40.9	10
2	General Motors Corp.	632.5	583.4	8.4	145.8	484.6	2.1	7
3	Sears, Roebuck & Co.	382.6	332.3	15.1	112.9	269.0	0.6	3
4	PepsiCo	375.9	313.4	20.0	9.5	363.8	2.7	5
5	AT&T Co.	371.6	233.9	58.9	79.2	292.1	0.2	1
6	McDonald's Corp.	334.7	316.2	5.8	3.6	327.2	3.9	1
7	Ford Motor Co.	328.9	299.8	9.7	112.8	214.9	1.0	3
8	Procter & Gamble Co.	318.1	245.8	29.4	52.0	266.0	0.0	9
9	Kellogg Co.	307.8	306.8	0.3	6.1	301.8	0.0	1
10	Toyota Motor Corp.	288.5	177.2	62.8	67.8	220.2	0.4	2

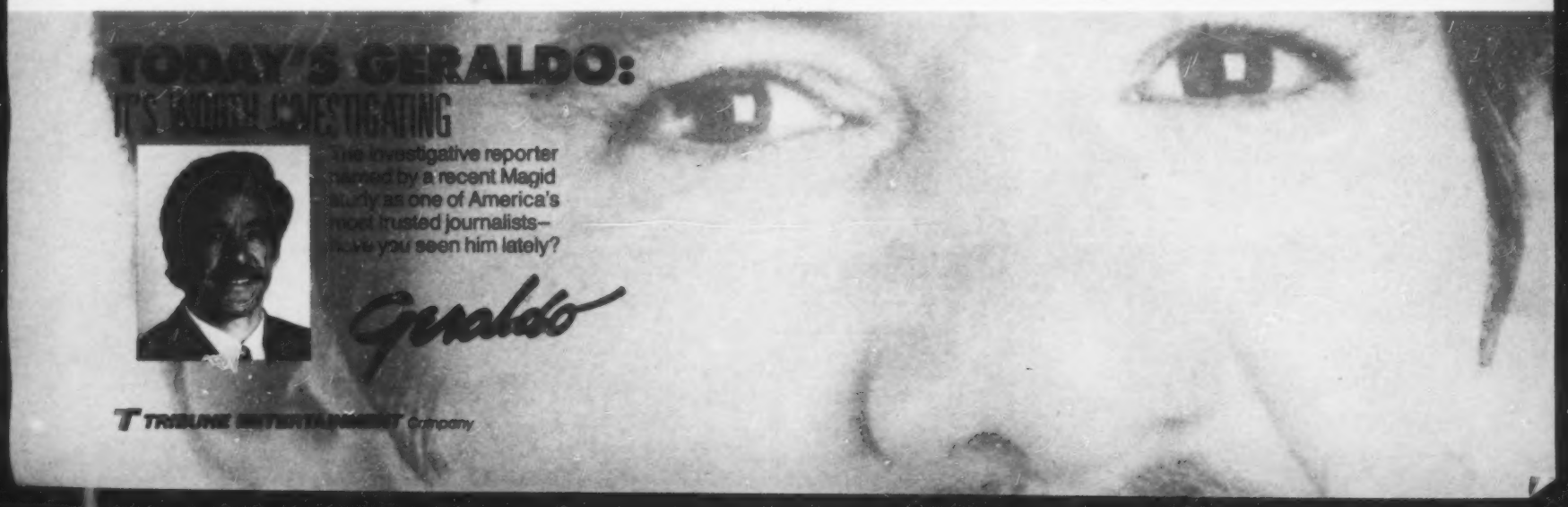
Notes: Dollars are in millions. Totals include only brands from within the top 200. **Source:** LNA/Arbitron Multi-Media Service for January through September 1990.

Top 200 brands' media spending for three quarters of 1990

		Top 200 brands			All measured brands		
Rank	Media	1990	1989	% chg	1990	1989	% chg
1	Network TV	$4,567.7	$3,827.0	19.1	$7,288.7	$6,652.1	9.6
2	Spot TV	2,240.9	1,993.0	12.4	6,743.3	6,455.3	4.5
3	Magazine	1,438.1	1,396.1	2.9	4,721.0	4,599.6	2.6
4	Newspaper	1,300.5	1,214.3	7.1	6,412.2	6,307.9	1.7
5	Syndicated TV	643.0	402.0	59.9	1,129.5	897.7	25.8
6	Cable TV networks	329.5	245.6	34.1	799.1	685.1	16.6
7	Network radio	260.1	243.5	6.8	561.7	493.6	13.8
8	Sunday magazine	123.5	125.0	(1.3)	551.4	512.4	7.6
9	Outdoor	103.2	101.5	1.7	477.1	534.6	(10.8)
	Subtotal print media	2,860.0	2,735.5	4.6	11,684.6	11,420.0	2.3
	Subtotal broadcast media	8,031.1	6,711.2	19.7	16,522.3	15,183.8	8.8
	Total	10,994.4	9,548.1	15.1	28,683.9	27,138.3	5.7

Notes: Dollars are in millions. **Source:** LNA/Arbitron Multi-Media Service for January through September 1990.

AA charts: Kevin Brown


TODAY'S GERALDO:
IT'S BOOBY COVESTIGATING
The investigative reporter named by a recent Magid study as one of America's most trusted journalists—have you seen him lately?
Geraldo
TRIBUNE ENTERTAINMENT Company

Top 200 mega-brands by Jan. to Sept. ad spending

Rank '90	Rank '89	Brand, product, service & parent company	Total measured ad spending 1990	1989	% chg
1	4	**AT&T products & services**, AT&T Co.	$371,570.2	$233,885.9	58.9
2	1	**McDonald's restaurants**, McDonald's Corp.	334,654.5	316,189.7	5.8
3	2	**Kellogg breakfast foods**, Kellogg Co.	307,834.8	306,815.8	0.3
4	3	**Sears stores**, Sears, Roebuck & Co.	297,310.3	271,481.1	9.5
5	5	**Ford cars & trucks**, Ford Motor Co.	253,133.0	224,748.5	12.6
6	7	**Toyota cars & trucks**, Toyota Motor Corp.	217,362.7	157,326.9	38.2
7	6	**Chevrolet cars & trucks**, General Motors Corp.	189,006.0	205,516.3	(8.0)
8	10	**Nissan cars & trucks**, Nissan Motor Co.	175,833.7	128,989.4	36.3
9	9	**Kraft foods**, Philip Morris Cos.	173,110.2	129,133.2	34.1
10	12	**Burger King restaurants**, Grand Metropolitan	130,146.4	122,613.0	6.1
11	17	**Miller beers**, Philip Morris Cos.	128,997.9	99,095.5	30.2
12	15	**Mazda cars & trucks**, Mazda Motor Corp.	126,610.2	106,733.2	18.6
13	8	**Budweiser beers**, Anheuser-Busch Cos.	125,869.9	139,724.7	(9.9)
14	16	**Pepsi beverages**, PepsiCo	125,216.0	100,539.8	24.5
15	20	**Kmart stores**, Kmart Corp.	122,520.0	89,999.9	36.1
16	14	**Coca-Cola beverages**, Coca-Cola Co.	117,985.4	107,196.9	10.1
17	32	**General Motors cars**, General Motors Corp.	112,666.6	72,864.8	54.6
18	33	**Buick cars**, General Motors Corp.	108,724.4	71,852.1	51.3
19	11	**American Express services**, American Express Co.	108,540.4	128,367.9	(15.4)
20	36	**Chrysler cars & trucks**, Chrysler Corp.	108,174.3	68,639.5	57.6
21	13	**Macy's stores**, R.H. Macy & Co.	97,493.9	107,490.6	(9.3)
22	19	**Penney's stores**, J.C. Penney Co.	94,937.4	92,029.5	3.2
23	29	**Honda cars & motorcycles**, Honda Motor Co.	94,075.7	76,063.3	23.7
24	22	**Kentucky Fried Chicken restaurants**, PepsiCo	88,424.3	88,592.6	(0.2)
25	47	**Nabisco foods**, RJR Nabisco	82,613.7	59,066.8	39.9
26	34	**Pizza Hut restaurants**, PepsiCo	81,916.4	71,376.9	14.8
27	25	**Wrigley's gums**, Wm. Wrigley Jr. Co.	81,639.2	80,882.1	0.9
28	23	**Post cereals**, Philip Morris Cos.	80,580.3	82,417.8	(2.2)
29	31	**Warner books, films, videos**, Time Warner	79,909.2	74,517.2	7.2
30	43	**American Airlines**, AMR Corp.	79,889.9	61,364.3	30.2
31	18	**Dodge cars & trucks**, Chrysler Corp.	79,796.8	98,398.4	(18.9)
32	35	**Pontiac cars & vans**, General Motors Corp.	78,751.5	69,302.1	13.6
33	42	**Universal City Studios**, Matsushita Electric Industrial Co.	75,499.8	61,595.4	22.6
34	40	**Tylenol remedies**, Johnson & Johnson	75,216.3	63,697.1	18.1
35	27	**Disney entertainment, resorts**, Walt Disney Co.	75,212.8	77,213.4	(2.6)
36	30	**Coors beers**, Adolph Coors Co.	74,250.6	75,172.0	(1.2)
37	26	**Columbia pictures, videos, records**, Sony Corp.	73,651.4	78,749.6	(6.5)
38	167	**Lexus cars**, Toyota Motor Corp.	71,097.2	19,866.4	257.9
39	21	**Oldsmobile cars**, General Motors Corp.	70,290.0	89,345.6	(21.3)
40	46	**Montgomery Ward stores**, Montgomery Ward & Co.	69,310.7	59,265.5	16.9
41	50	**Paramount films & videos**, Paramount Communications	68,956.8	55,967.4	23.2
42	44	**Acura cars**, Honda Motor Co.	68,556.6	60,232.3	13.8
43	45	**Folgers coffees**, Procter & Gamble Co.	68,042.3	59,315.8	14.7
44	54	**Maxwell House coffees**, Philip Morris Cos.	67,638.5	51,460.8	31.4
45	28	**Marlboro cigarettes**, Philip Morris Cos.	65,869.2	76,864.0	(14.3)
46	183	**Ultra Slim-Fast diet products**, Thompson Medical Co.	65,287.5	15,754.2	314.4
47	38	**Wendy's restaurants**, Wendy's International	64,835.7	67,437.8	(3.9)
48	92	**Nike shoes & sportswear**, Nike Inc.	61,819.0	34,517.2	79.1
49	71	**Touchstone films & video**, Walt Disney Co.	61,195.1	42,075.7	45.4
50	53	**Circuit City stereo stores**, Circuit City Stores	61,062.3	54,377.2	12.3
51	59	**Cheerios cereal**, General Mills	60,885.1	49,098.2	24.0
52	24	**Subaru cars**, Fuji Heavy Industries	59,571.3	82,235.3	(27.6)
53	39	**Hyundai cars**, Hyundai Group	59,478.3	64,166.3	(7.3)
54	56	**United Airlines**, UAL Corp.	59,129.0	51,062.9	15.8
55	55	**Delta Air Lines**, Delta Air Lines	59,079.5	51,111.9	15.6
56	76	**L'Oreal cosmetics & hair products**, Nestle SA	58,781.2	38,587.7	52.3
57	68	**Taco Bell restaurants**, PepsiCo	58,447.0	42,783.5	36.6
58	65	**US Sprint telephone services**, United Telecommunications	57,087.5	43,628.4	32.2
59	62	**Time-Life books, records, videos**, Time Warner	56,061.1	46,091.6	21.6
60	60	**Domino's pizza**, Domino's Pizza	54,982.1	48,363.8	13.7
61	80	**Volkswagen cars & vans**, Volkswagen AG	54,335.0	37,987.1	43.0
62	61	**Prudential insurance**, Prudential Ins. Co. of America	52,035.9	47,212.0	10.2
63	51	**Mercury cars**, Ford Motor Co.	51,442.9	54,814.0	(6.2)
64	69	**Hallmark cards & stationery**, Hallmark Cards	50,478.9	42,502.1	18.8
65	58	**Clairol hair products**, Bristol-Myers Squibb Co.	50,399.0	49,143.4	2.6
66	52	**Mitsubishi cars & trucks**, Mitsubishi Motors Corp.	49,183.0	54,670.7	(10.0)
67	118	**Goodyear tires**, Goodyear Tire & Rubber Co.	48,967.0	29,486.9	66.1
68	104	**Allstate insurance**, Sears, Roebuck & Co.	48,191.4	32,677.3	47.5
69	48	**Du Pont products**, E.I. du Pont de Nemours & Co.	47,559.1	56,978.6	(16.5)
70	72	**BMW cars**, BMW AG	47,442.6	41,200.9	15.1
71	115	**Cover Girl cosmetics**, Procter & Gamble Co.	47,267.7	29,897.1	58.1
72	77	**Tide laundry products**, Procter & Gamble Co.	47,246.5	38,265.9	23.5
73	70	**May Co. stores**, May Department Stores Co.	46,690.7	42,076.1	11.0
74	108	**Stouffer foods & hotels**, Nestle SA	46,498.3	31,078.7	49.6
75	93	**20th Century Fox films**, News Corp.	46,459.2	34,436.4	34.9
76	86	**Isuzu cars & trucks**, Isuzu Ltd.	46,389.0	35,827.7	29.5
77	67	**Red Lobster restaurants**, General Mills	46,156.9	42,966.6	7.4
78	88	**Advil & Coadvil remedies**, American Home Products Corp.	46,027.1	35,582.8	29.4
79	63	**Weight Watchers foods & diets**, H.J. Heinz Co.	45,846.2	45,133.1	1.6
80	74	**Highland stores**, Highland Superstores	45,558.8	40,111.7	13.6
81	57	**Kodak photo equipment & copiers**, Eastman Kodak Co.	44,980.7	51,021.7	(11.8)
82	105	**Citibank financial services**, Citibank	44,265.2	32,542.6	36.0
83	103	**Eastern Airlines**, Eastern Airlines	42,643.1	32,996.5	29.2
84	79	**GE products**, General Electric Co.	42,384.9	38,155.5	11.1
85	179	**Tri-Star films**, Sony Corp.	42,246.8	16,747.6	152.3
86	181	**Little Caesar Pizza restaurants**, Little Caesar Enterprises	41,991.0	16,295.0	157.7
87	41	**Franklin Mint collections**, Franklin Mint	41,837.6	62,639.3	(33.2)
88	75	**U.S. Army**, U.S. Government	41,024.4	39,040.6	5.1
89	192	**National Dairy Board promotions**, National Dairy Board	40,387.1	11,004.7	267.0
90	94	**MCI telephone services**, MCI Communications Corp.	39,920.7	34,019.7	17.3
91	83	**Midas Muffler shops**, Whitman Corp.	39,152.7	37,002.4	5.8
92	99	**Broadway Department Stores**, Carter Hawley Hale Stores	39,011.0	33,446.5	16.6
93	160	**Nutri/System Weight Loss Centers**, Nutri/System	38,782.0	21,573.0	79.8
94	87	**True Value stores**, Cotter & Co.	38,555.9	35,629.3	8.2
95	125	**Wal-Mart stores**, Wal-Mart Stores	38,395.4	28,255.6	35.9
96	95	**Northwest Airlines**, NWA Inc.	38,335.3	33,905.4	13.1
97	159	**HBO cable TV**, Time Warner	38,241.2	21,698.4	76.2
98	64	**Geo cars**, General Motors Corp.	37,864.9	44,048.9	(14.0)
99	174	**Visa credit card services**, Visa International	37,644.5	17,698.0	112.7
100	78	**Newport cigarettes**, Loews Corp.	37,283.7	38,171.8	(2.3)
101	126	**Discover credit card services**, Sears, Roebuck & Co.	$36,985.1	$28,172.5	31.3
102	124	**Levi's apparel**, Levi Strauss & Co.	36,497.0	28,261.7	29.1
103	49	**IBM computers**, IBM Corp.	36,412.2	56,597.2	(35.7)
104	97	**Jeep trucks & vans**, Chrysler Corp.	35,729.1	33,721.2	6.0
105	134	**Hershey foods**, Hershey Foods Corp.	35,668.5	25,978.1	37.3
106	138	**Gillette shaving products**, Gillette Co.	35,564.3	25,366.3	40.2
107	111	**Cadillac cars**, General Motors Corp.	35,221.5	30,446.1	15.7
108	98	**Keebler cookies & snacks**, United Biscuits (Holdings)	34,855.3	33,577.1	3.8
109	116	**Canon cameras & electronics**, Canon Inc.	34,509.3	29,691.4	16.2
110	112	**Lucky stores**, American Stores Co.	34,238.0	30,380.1	12.7
111	85	**United Parcel service**, United Parcel Service of America	33,956.2	35,834.2	(5.2)
112	161	**Oscar Mayer foods**, Philip Morris Cos.	33,578.7	21,483.9	56.3
113	110	**CBS-TV network**, CBS Inc.	33,461.8	30,936.9	8.2
114	82	**Tropicana juices**, Seagram Co.	33,125.1	37,832.0	(12.4)
115	117	**Lysol cleaners**, Eastman Kodak Co.	32,581.5	29,642.4	9.9
116	119	**7UP beverages**, Dr Pepper/Seven-Up Cos.	32,309.5	29,436.4	9.8
117	114	**Kroger food stores**, Kroger Co.	32,137.2	30,110.1	6.7
118	73	**Johnson household products**, S.C. Johnson & Son	32,087.3	40,526.5	(20.8)
119	141	**Target stores**, Dayton Hudson Corp.	31,588.1	24,656.8	28.1
120	113	**Colgate toothpaste & toothbrushes**, Colgate-Palmolive Co.	31,562.1	30,262.3	4.3
121	91	**Orion films**, Orion Pictures Corp.	31,509.4	34,690.9	(9.2)
122	96	**Total cereal**, General Mills	31,306.7	33,728.2	(7.2)
123	89	**Johnson & Johnson products**, Johnson & Johnson	31,025.5	35,266.8	(12.0)
124	169	**Pearle Vision Centers**, Grand Metropolitan	30,938.7	18,858.3	64.1
125	121	**Crest toothpaste**, Procter & Gamble Co.	30,906.6	29,293.6	5.5
126	120	**Campbell's soups**, Campbell Soup Co.	30,861.1	29,419.0	4.9
127	81	**Continental Airlines**, Continental Airlines Holdings	30,729.2	37,957.5	(19.0)
128	100	**Pan Am airlines**, Pan American World Airways	30,692.0	33,436.6	(8.2)
129	152	**Virginia Slims cigarettes**, Philip Morris Cos.	30,682.6	22,880.3	34.1
130	129	**Reebok shoes & sportswear**, Reebok International	30,608.9	27,008.5	13.3
131	109	**Hardee's restaurants**, Imasco Ltd.	30,508.4	31,069.3	(1.8)
132	90	**Quaker cereals**, Quaker Oats Co.	30,452.2	34,786.9	(12.5)
133	107	**TWA airlines**, Trans World Airlines	29,745.2	31,527.1	(5.7)
134	135	**Lens Crafters Opticians stores**, U.S. Shoe Corp.	29,670.2	25,848.8	14.8
135	130	**Jell-O gelatins & puddings**, Philip Morris Cos.	29,083.1	26,866.4	8.3
136	132	**Kleenex tissues & diapers**, Kimberly-Clark Corp.	28,932.3	26,181.7	10.5
137	84	**Plymouth cars & trucks**, Chrysler Corp.	28,649.7	36,141.4	(20.7)
138	182	**Fidelity banks & funds**, Fidelity Management & Research Co.	28,260.8	16,271.0	73.7
139	150	**Revlon toiletries & cosmetics**, Revlon Group	28,229.0	23,022.1	22.6
140	136	**State Farm insurance**, State Farm Mutual Auto. Ins. Co.	28,173.2	25,701.8	9.6
141	164	**Royal Caribbean Cruise Line**, Royal Caribbean Cruise Line	28,161.2	20,362.1	38.3
142	166	**Excedrin pain relievers**, Bristol-Myers Squibb Co.	27,912.5	20,030.1	39.4
143	66	**Merit cigarettes**, Philip Morris Cos.	27,877.5	43,357.7	(35.7)
144	133	**Safeway food stores**, Safeway Stores	27,094.5	26,061.0	4.0
145	186	**Duracell batteries**, Duracell Inc.	27,047.0	14,843.6	82.2
146	140	**NBC-TV network**, General Electric Co.	27,031.3	24,856.0	8.8
147	151	**General Foods International coffees**, Philip Morris Cos.	26,855.0	22,952.6	17.0
148	128	**Maybelline cosmetics**, Maybelline	26,742.6	27,145.1	(1.5)
149	156	**Betty Crocker foods**, General Mills	26,644.0	22,406.7	18.9
150	153	**Century 21 real estate**, Metropolitan Life Insurance Co.	26,415.6	22,868.1	15.5
151	101	**Clorox household products**, Clorox Co.	26,366.7	33,396.0	(21.0)
152	172	**Head & Shoulders hair products**, Procter & Gamble Co.	26,092.6	18,080.8	44.3
153	154	**Giant food stores**, Ahold International	26,083.9	22,656.7	15.1
154	144	**Walgreen stores**, Walgreen Co.	26,029.4	24,231.1	7.4
155	184	**Ivory soaps, cleaners, shampoos**, Procter & Gamble Co.	25,920.9	15,720.6	64.9
156	148	**Nestle candies, foods, beverages**, Nestle SA	25,893.1	23,760.5	9.0
157	139	**Radio Shack electronics stores**, Tandy Corp.	25,801.6	24,985.5	3.3
158	155	**ABC-TV network**, Capital Cities/ABC	25,726.8	22,568.0	14.0
159	145	**Vons stores**, Vons Cos.	25,400.3	23,985.1	5.9
160	146	**Dr Pepper beverages**, Dr Pepper/Seven-Up Cos.	25,327.1	23,879.2	6.1
161	149	**Beef Industry Council promotions**, Beef Industry Council	25,240.7	23,095.5	9.3
162	127	**Audi cars**, Volkswagen AG	25,157.7	27,235.8	(7.6)
163	106	**Oil of Olay creams & lotions**, Procter & Gamble Co.	25,133.5	31,701.0	(20.7)
164	173	**Neutrogena bath products**, Neutrogena Corp.	24,794.9	17,948.0	38.1
165	37	**Michelob beer**, Anheuser-Busch Cos.	24,773.8	67,503.2	(63.3)
166	199	**Norelco shavers**, Philips NV	24,678.9	7,933.8	211.1
167	196	**Nintendo electronics games**, Nintendo Co.	24,670.9	9,163.3	169.2
168	158	**Alka-Seltzer remedies**, Bayer AG	24,621.1	21,773.6	13.1
169	147	**Mattel toys & games**, Mattel Inc.	24,502.9	23,782.4	3.0
170	137	**Bloomingdale's stores**, Campeau Corp.	24,437.0	25,569.0	(4.4)
171	191	**Infiniti cars**, Nissan Motor Co.	24,388.2	12,406.9	96.6
172	165	**Lincoln cars**, Ford Motor Co.	24,373.9	20,252.4	20.4
173	131	**Heinz condiments & sauces**, H.J. Heinz Co.	23,983.3	26,557.8	(9.7)
174	142	**Mervyn's stores**, Dayton Hudson Corp.	23,968.1	24,323.5	(1.5)
175	198	**Cheer laundry detergent**, Procter & Gamble Co.	23,953.0	8,720.9	174.7
176	171	**MasterCard credit card services**, MasterCard International	23,835.5	18,211.2	30.9
177	168	**Gatorade beverages**, Quaker Oats Co.	23,732.9	18,941.5	25.3
178	157	**Estee Lauder cosmetics**, Estee Lauder Inc.	23,656.1	21,856.0	8.2
179	187	**Luvs diapers**, Procter & Gamble Co.	23,539.6	14,759.9	59.5
180	200	**Motrin IB remedies**, Upjohn Co.	23,523.5	7,227.0	225.5
181	190	**Sports Illustrated magazine**, Time Warner	23,500.2	13,512.9	73.9
182	197	**L.A. Gear shoes**, L.A. Gear	23,258.7	8,871.0	162.2
183	143	**Vaseline products**, Unilever NV	23,082.7	24,285.7	(5.0)
184	180	**Lord & Taylor stores**, May Department Stores Co.	23,017.6	16,651.6	38.2
185	163	**Winn-Dixie food stores**, Winn-Dixie Stores	22,858.7	20,448.5	11.8
186	122	**CBS video**, Sony Corp.	22,830.3	28,309.3	(19.4)
187	175	**Benadryl remedies**, Warner-Lambert Co.	22,748.6	17,327.8	31.3
188	123	**Mennen toiletries**, Mennen Co.	22,738.2	28,287.9	(19.6)
189	193	**Jenny Craig Weight Loss Centers**, Jenny Craig	22,617.4	10,874.6	108.0
190	195	**Blockbuster Video stores**, Blockbuster Entertainment Corp.	22,602.7	9,955.9	127.0
191	176	**Apple computers**, Apple Computer	22,577.9	17,264.2	30.8
192	162	**NutraSweet sweetener**, Monsanto Co.	22,406.9	21,395.3	4.7
193	188	**Marriott hotels**, Marriott Corp.	22,139.8	14,660.1	51.0
194	194	**Frito snacks**, PepsiCo	21,907.7	10,093.5	117.0
195	178	**Sprite beverages**, Coca-Cola Co.	21,793.3	16,748.1	30.1
196	185	**Blue Cross-Blue Shield insurance**, Blue Cross & Blue Shield	21,697.0	15,495.7	40.0
197	177	**Carnival Cruise Lines**, Carnival Cruise Lines	21,607.7	16,876.5	28.0
198	189	**Whirlpool appliances**, Whirlpool Corp.	21,487.6	14,443.9	48.8
199	102	**Hanes apparel**, Sara Lee Corp.	21,485.2	33,111.5	(35.1)
200	170	**Arby's restaurants**, Royal Crown Cos.	21,267.4	18,331.7	16.0

Notes: Dollars are in thousands. Measured media spending includes magazine; Sunday magazine; outdoor; newspaper; network, spot and syndicated TV; cable TV networks; and network radio. **Source:** LNA/Arbitron Multi-Media Service. See story on Page 18.

AA chart: Kevin Brown

Cautious upfront

(Continued from Page 1)

network scatter market, all point toward scaled-back upfront spending. Scatter refers to the remaining time, sold after advertisers commit to time allocated by the networks for upfront.

Some network inventory is selling for as much as 30% below upfront pricing during the current scatter market, while some network time sold for half upfront costs during the fourth quarter.

"There are too many imponderables," said Allen Banks, exec VP-media director for Saatchi & Saatchi Advertising, New York. "No one is bullish now, and no one knows if you can afford to be bullish later. Clients want to play it as close to the vest for as long as possible. Flexibility is what is important to clients right now."

Most industry experts predict a 10% to 15% decline in prime-time upfront spending for 1991-92 with total sales at about $3.5 billion to $3.7 billion, lower than it's been in the past two years.

Last year, upfront spending set a record of $4.3 billion—barely topping the previous year's $4.2 billion—when automakers poured almost $700 million into upfront.

But some expect enough severe upfront cutbacks by key advertisers to drop the total to lower than it's been in four years—as low as $3 billion—despite a potential influx of ad spending related to the Winter and Summer Olympics.

"Historically, Olympics spending came out of corporate budgets, but things are different now," said a media buyer who requested anonymity. "The Olympics will siphon money out of brand budgets, and they will get the money back by taking it out of upfront dollars."

Most people believe some network dayparts, such as children's Saturday morning, late night, news and daytime, will fare well in upfront sales while both network prime time and sports will suffer.

"There may not be enough money in the marketplace to sell out prime time," said Steve Auerbach, senior VP-director of network programming for Ally & Gargano. "The same is true for sports."

"The way people approach the upfront will be different this year, and it could create a new order in buying and selling," said Chuck Bachrach, senior VP-director of network and programming for Rubin Postaer & Associates, Los Angeles. "The networks will have to readjust because of the financial impact of the war. Some categories will want to move upfront and others will wait for scatter."

Network executives, scrambling to drum up first-quarter scatter business and trying to find clients to buy what could be a glut of second-quarter time, dismissed discussion of the upfront selling season as "premature."

Some buyers believe the networks will have to make a few "sacrifice deals," packages with significantly lower prices than last year for a few clients to get the market going.

Others say the networks could simply keep costs per thousand equal to last year to encourage upfront spending and then increase inventory and revenues by adding extra spots within network shows.

"The agencies will say they will not pay increases this year, but the networks can't live with that. Adding inventory is one way to generate more money when you only get minuscule increases," said an agency media buyer who asked to be unidentified. "They've already asked producers to cut 30 seconds or 60 seconds from shows for war updates, so why not use the time for commercials? The producers have to cut the shows down for syndication anyway."

ABC, CBS and NBC have taken the most heat from agencies, advertisers and the public for commercial clutter on TV, but the current network-imposed limit of 7 minutes of commercials per hour of programming is stricter than the 12 to 14 minutes of commercials per hour on some cable networks and the estimated 8 minutes of commercial time in half-hour syndicated shows.

The specter of the war is a key to how the networks will react.

Should the war be prolonged, chances are the upfront market could be delayed or severely curtailed to accommodate advertisers. Buyers will likely demand and could conceivably get more flexibility in upfront commitments, too.

"People are using the war as an alibi, but it's amplified the economic situation," said Kal Leibowitz, president of KSL Media, New York. "People want to buy as close to air date or promotional date as possible if it is a firm deal."

To generate scatter sales, the networks are also offering advertisers regional buys, meaning anything could happen when upfront negotiations start.

The situation doesn't bode well for alternative TV media, including cable, syndication and spot TV.

"If you can buy a 10 rating on network TV at the same CPM as a 0.5 rating on a cable network, why take the smaller rating?" Ally's Mr. Auerbach asked. □

Dental

(Continued from Page 1)

lion worldwide toothpaste market but No. 2 in the U.S. behind P&G.

Colgate had planned on using its own new Colgate Gum Protection Formula, which also contains triclosan, as a platform to strengthen its share position in the $1 billion domestic market and had discussions with the FDA about the product early last year (AA, April 23).

Both P&G and Colgate market triclosan-containing toothpastes outside the U.S. Colgate Gum Protection Formula, sold in 23 countries, accounts for a 6% share of the worldwide toothpaste market, said Andrew Shore, analyst with Prudential-Bache Securities.

Sources familiar with the situation say Colgate had taken steps last year to get approval to make anti-plaque claims for its toothpaste. But Colgate hasn't asked the FDA for formal new-drug approval for the use of triclosan in its toothpaste, said Richard Chastonay, director of the FDA's division of drug labeling compliance.

Colgate didn't return phone calls last week seeking comment. Young & Rubicam, New York, is the Colgate toothpaste agency.

P&G had told retailers Ultra Protection Crest had been clinically shown to kill bacteria, a leading cause of gum disease, and the product was positioned as an "anti-plaque toothpaste," said one retailer.

Teri Glover, a P&G spokeswoman, said Ultra Protection Crest was positioned as "an innovative new product" that offers cavity protection and tartar control as well as fighting bacteria, resulting in a "cleaner mouth."

P&G had gone ahead with its sell-in to the retail trade because it didn't believe a new-drug application process would be necessary since product claims were cosmetic rather than therapeutic, Ms. Glover said. Further, the fact that triclosan toothpaste is marketed extensively outside the U.S. made the new-drug status seem unlikely, she added.

However, "The FDA felt that the addition of triclosan in any oral-care product, regardless of the claims, should be made through the new-drug application process," Ms. Glover said.

She said the company is still discussing the triclosan issue with the FDA, but she declined to comment on whether data have been filed to start the process.

Unilever U.S.' Chesebrough-Pond's unit is skirting the edges of the issue with the rollout of Close-Up Anti-Plaque toothpaste and mouth rinse, which are now starting sell-in to retailers.

The active ingredient in Close-Up Anti-Plaque is stannous fluoride, a widely used ingredient approved long ago by the FDA, a Chesebrough spokeswoman said. She said the brand "stops the bacterial growth and inhibits adhesion [of bacteria] on the surface of the tooth," which she classified as "a cosmetic claim that doesn't need FDA approval."

But the FDA has traditionally viewed plaque-fighting claims as therapeutic rather than cosmetic, and it's not known what view the government agency will have on Close-Up Anti-Plaque.

A national TV, print and radio campaign is expected to break later this month from J. Walter Thompson USA, New York. □

Steven W. Colford contributed to this story.

Give your product away — on television game-shows.

It's the ultimate in low-cost, mass exposure. We provide a complete service to all TV game-shows. Write for details.

Game-Show Placements, Ltd.
7011 Willoughby Avenue
Hollywood, CA 90038
(213) 874-7818

Euromarketing is the exclusive weekly newsletter that the world's top advertising and marketing executives rely on for fast, accurate information on major brand moves, new product introductions, agency moves, media news and marketing activity in Europe. The latest, hottest, inside news from all over Europe is air mailed to subscribers every week. See for yourself at no risk. Be ready for 1992.

Special offer! Get four issues free!

Attach your business card or fill out this coupon and mail today.

☐ **Yes!** I'd like to receive the next four issues of Euromarketing for **FREE!** There's no cost, no obligation involved. If I like Euromarketing I can subscribe for a full year (49 issues) for $350. If I don't choose to subscribe, I'll return your invoice marked "Cancel." The free issues will be mine to keep and I will owe nothing at all.

Name
Title
Company
Address
City
State/Country
Zip/Postal Code

Mail to: Euromarketing Subscription Department
965 E. Jefferson, Detroit, MI 48207

Kraft

(Continued from Page 1)

able dressing and five pourable salad dressings.

Kraft Alternatives will go into Information Resources Inc.'s BehaviorScan system in Cedar Rapids, Iowa, and Midland, Texas.

"The key here is the identification of a broad consumer issue, in terms of interest in nutritional products," said Bob San Filippo, brand manager on the project at Kraft. "The Alternatives line will be the consumer's assurance of a significant reduction in fat, cholesterol and calories."

Development of Kraft Alternatives has been a closely guarded project. J. Walter Thompson USA, Chicago, has the potentially huge assignment; executives at other Kraft agencies claimed to be unaware of the brand. TV and print advertising will support the line.

One TV commercial targeted at consumers 45 and older will offer "a dramatization of the consumer confusion over product claims and how to pick out products that meet all their nutritional needs," Mr. San Filippo said.

Some of that confusion is reflected in Kraft's own lineup.

Last year, Kraft established a Kraft Free moniker for fat-free foods in several categories, including three of the Kraft Alternatives categories. The company already has three pourable salad dressing lines: the regular Kraft brand, a reduced-calories version and Kraft Free products.

Although all the Alternatives products are low in cholesterol and fat, some are cholesterol- and fat-free. Kraft General Foods' existing fat-free products—ranging from Entenmann's pastries to Sealtest ice cream—posted sales of $350 million in 1990.

"Our Free products are doing very well, but there seems to be an opportunity for this second line of products," Mr. San Filippo said, referring to Alternatives.

Mr. San Filippo wouldn't comment on whether Kraft General Foods is considering the Alternatives name for other product categories or divisions.

Kraft General Foods' frozen products division is testing Eating Right, a line of frozen entrees low in calories, fat and sodium, and also marketing Budget Gourmet Light & Healthy frozen dinners.

Frozen meals is where ConAgra's Healthy Choice has had its greatest success. But Campbell was out of the gate first with LeMenu LightStyle in 1986, although it was positioned as low-calorie rather than healthy.

"LightStyle had the first national 'healthy' ad campaign [for a frozen dinner line] with our 'Eat smarter' campaign two years ago," said Jim Van Stone, Campbell VP-convenience meals sector. "But LightStyle was perceived as a diet product rather than a healthy product."

To transform LightStyle into LeMenu Healthy and make it more competitive with Healthy Choice, Campbell has reduced the sodium levels in all 21 varieties. Few other adjustments were necessary, Mr. Van Stone said.

"The key here is the identification of a broad consumer issue, in terms of interest in nutritional products."

Mr. Van Stone said the company will hike brand spending to $10 million to $12 million, from $7 million. Creative hasn't been decided; Ogilvy & Mather, New York, handles.

The package will eschew Healthy Choice's signature green.

"We're continuing with our blue color because we don't want to alienate our existing franchise," Mr. Van Stone said.

He said Campbell has a good chance of catching up with Healthy Choice. LeMenu and LeMenu LightStyle ended 1990 with a combined 5.5% share of the $3.9 billion frozen dinner/entree market. Healthy Choice had 8.2%, according to IRI's InfoScan service.

ConAgra now has turned its eyes toward Campbell in another category, testing a line of canned and plastic-tub soups in four markets.

Campbell changed the name of its Special Request low-salt soups, introduced in 1987, to Healthy Request in September. But ConAgra wrote Campbell asking it to "cease and desist" from using the Healthy Request name.

Campbell filed for declaratory judgment in U.S. District Court in Camden, N.J., on Dec. 7, and the case is still pending. □

Patriotism

(Continued from Page 3)

German marques.

"We've seen nothing yet" in terms of a backlash against Japanese products, said Scott Gilbert, exec VP-management director of Team One, El Segundo, Calif., which handles Toyota Motor Sales USA's Lexus account. "But we're sensitive to the possibility."

In Germany, Mercedes-Benz and BMW officials are engaged in an intense lobbying effort to have political leaders disavow recent anti-American demonstrations, reported *Automotive News*.

Officials of the German companies acknowledged their North American marketing units have expressed concern about the potential for backlash from U.S. customers.

According to Integrated Automotive Resources, the number of consumers who said they would consider only a Japanese-built vehicle declined from 4.3% last July, just before Iraq's invasion of Kuwait, to 2.4% in late January. Consumers who would consider only a European make declined from 2% to 1.1%.

During the same period, the number who would consider only U.S.-built vehicles rose from 50.4% to 52.9%.

"These aren't huge differences, but there's obviously been some effect," some Thomas O'Grady, president of the consultancy. Mr. O'Grady said the successful use of U.S. technology in the early days of the war may have generated increased pride and confidence in American products overall.

BBDO's random survey asked consumers between Jan. 10 and 12 whether they had a preference for American branded products in a number of categories such as automobiles, wine, clothing, video equipment, TV sets and stereo equipment, said Thomas Neman, senior VP-director of planning and research at the agency's Southfield, Mich., office.

"The American psyche as a whole tends to overreact toward any problem, whether it's AIDS, the weather, the drought or the Gulf crisis."

"Buy American" sentiment was up across all those categories, he said. In the case of automobiles, 77% expressed a preference for U.S. brands, up from 62% the last time the survey was taken in 1989.

"There has been a growing trend toward pride in American values and pride in American-made products," Mr. Neman said. "And seven out of 10 consumers say that's a trend that will grow more in 1991."

Mr. Neman said it's important that U.S. manufacturers not appear to be opportunistic.

"We have to understand where the consumer's head is at and support him in his position," he said.

Any flag-waving ad campaign would be seen as "patronizing and pandering," said William Ludwig, exec VP-creative director on General Motors Corp.'s Chevrolet account at Lintas:Campbell-Ewald, Warren, Mich.

"The marketers who will do well will be those who align themselves with the broad mainstream of contemporary America," Mr. Ludwig said.

The current surge of American patriotism could be short-lived, he said, but the war could still turn out to be a watershed, causing many people to "reassess how they view the world and themselves."

Current consumer sentiments will change dramatically when the war ends, said John Rettie, editorial director at consultancy J.D. Power & Associates.

"The American psyche as a whole tends to overreact toward any problem, whether it's AIDS, the weather, the drought or the Gulf crisis," Mr. Rettie said. "Individuals forget very quickly. If somebody wants to buy a Mercedes-Benz, they're not going to change their mind because of the war." □

Volvo

(Continued from Page 3)

strategy to creative, media planning and a compensation package.

Messner Vetere "came up with a clever performance-based compensation package that made them our partner," Mr. Austin said. "If we do well, they will do well."

While not divulging details, Mr. Austin said the compensation is tied to Volvo performance measurements such as unit sales and market share. The plan provides a floor of compensation with incentives.

The Swedish carmaker is the No. 1 European importer of luxury autos, in units, in the U.S. Last year, Volvo had U.S. sales of 89,894, down 12.4% from 1989. The company had a 1% share of the new-car market both years.

Mr. Austin said Volvo officials probably "used a longer yardstick" to measure Messner Vetere because of outside speculation Mr. Schmetterer's ties to the company made the agency a prohibitive favorite.

Mr. Schmetterer agreed the mantle of favorite "was a tremendous extra burden." The agency conducted 21 research projects to get a feel for the marketplace.

"We had to work harder, we had further to go to prove to this company who at this very important juncture in their history is making a critical decision, to overcome negative press," he said.

Mr. Schmetterer acknowledged the agency had been pitching the Volvo account for five years, mainly by maintaining relationships with Volvo executives.

"If your relationships are good ones and productive ones, you stay in touch," he said. "Social relationships don't win accounts; business relationships do, ones where there's mutual respect."

Messner Vetere won MCI Communications Corp.'s $80 million account last September, and the Volvo win pushes billings to nearly $200 million. Since November, the agency has added about 20 staffers. □

Gary Levin contributed to this story.

WHEN YOU WANT YOUR PROMOTIONS TO BLOSSOM, WE HAVE A BEAUTIFUL ARRANGEMENT.

A ROSE AND A LILLIE

Meet Rose Enriquez and Lillie Del Mastro. They're making NCH a veritable hothouse for cultivating coupon promotions.

Like all our customer service reps, Rose and Lillie know how to listen. And can instantly access your promotion's data on the NCH Resolutions™ system for immediate answers. They can resolve payment issues quickly. Tell you why you may be over or under redeeming. And monitor your misredemption controls to nip troublesome trends in the bud.

If fast, aggressive support is what you need, pick an NCH customer service team. There's not a shrinking violet in the bunch.

N·C·H PROMOTIONAL SERVICES

WHERE EXPERIENCE COUNTS

NCH Promotional Services a company of The Dun & Bradstreet Corporation

Manufacturer Services · Retailer Services · Consumer Services · Analytical Services · NCH International

For information, call (708) 317-5500 ©NCH 1991

NOTE

ONLY THE FOLLOWING PAGES OF THIS

PUBLICATION HAVE BEEN FILMED

Cov. 1, Pgs: 2, 6, 8, 37

NEWSPA

Advertising Age

#4B**********5-DIGIT 20814
#020190949 6#01AA10752 99N2Z
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
BETHESDA MD 20814

Crain's International Newspaper of Marketing • In Two Sections • Section 1 • $2.50 • $3.00 in Canada • £3.50 in U.K.

Protests of CNN hit advertisers

Callers lash Arnett reports, but sponsors support network

An Ad Age roundup

Nabisco Brands and two other national advertisers last week said they had received a handful of angry calls and letters urging them to pull ads from the Cable News Network because of correspondent Peter Arnett's reports from Baghdad.

Sterling Motor Cars and KitchenAid, a division of Whirlpool Corp., also got complaints, but all three advertisers said they would maintain planned schedules on the all-news cable channel.

Despite the controversy surrounding Peter Arnett, ratings remain strong.

Mr. Arnett was the only correspondent reporting from Baghdad until last week, when an ABC correspondent joined him in the war-torn capital of Iraq. At press time, they remained there as reports surfaced that Iraq might be willing to withdraw from Kuwait.

Some of the calls and letters expressed concern that Mr. Arnett was serving as a mouthpiece for Iraqi propaganda. Among other things, Mr. Arnett has conducted a controversial face-to-face interview with Iraqi leader Saddam Hussein.

Some of CNN's advertisers have relayed expressions of concern from the public, acknowledged Joe Uva, head of sales at the network.

"We have had advertisers contact us about phone calls and letters they have received," Mr. Uva said. "But they basically want to make us aware of what some members of the public have expressed. Advertisers realize that the ratings are holding and what the public's overall response has been. The public is the ultimate decider. From our ratings track, it is clear the public still wants CNN to report."

CNN's average 24-hour Nielsen rating within the cable network's universe for the week of Feb. 6 through Feb. 12 was 2.7, reaching 1.5 million households. Last year during the same time period, the average 24-hour rating was 0.7, reaching 380,000 households.

"Advertisers who have asked to re-express [move to another time] their ads are doing so because of war coverage in general and that has been the case since day one," Mr. Uva said. "To my knowledge, we have not had to deal with situations where Mr. Arnett's reporting has caused us to reapportion ads."

Nabisco received a handful of letters and "a few calls" from consumers asking the company not to support CNN because of Mr. Arnett's reporting, said a spokesman for the advertiser.

He said the letters were "thoughtful and intelligent" arguments and weren't the sort of form letters traditionally sent by organized boycott groups.

The company has politely re-

(Continued on Page 48)

State AGs attack downsized brands

By Judann Dagnoli

New York Attorney General Robert Abrams last week proposed state legislation that would require package goods companies to label downsized product changes with the words "reduced," "decreased" or "less" for at least six months.

The New York action could be a bellwether for similar moves from other state attorneys general offices, including Texas, California and Iowa. And that could create chaos for national marketers of package goods.

Texas Assistant Attorney General Stephen Gardner said his office "has opened an investigation" into downsizing, the practice of reducing package weight without decreasing package size or price.

California Assistant Attorney General Herschel Elkins said his office "is monitoring" events and sharing information with the New York attorney general.

The Iowa attorney general's office is also said to be preparing an investigation, but a spokesman said only that the office is "concerned" about downsizing.

The Grocery Manufacturers of America, a trade group whose members produce 85% of all package foods sold in the U.S., said it's steeling itself for further state investigations.

"We would not be at all surprised to see similar moves from other states," said Jeff Nedelman, the GMA's VP-communications.

While downsizing exists, it's a non-issue, Mr. Nedelman said, since marketers have been above-

(Continued on Page 48)

New York Attorney General Robert Abrams

Food marketers cited by New York

- **Quaker Oats'** Rice-A-Roni beef flavor packaging went from 8 oz. to 6.8 oz.; AG comment: Price remained $1.29.
- **Hershey Foods'** chocolate milk mix went from 16 oz. to 14.5 oz.; AG comment: Package size unchanged.
- **Colgate-Palmolive's** Ajax laundry detergent (king size) went from 61 oz. to 55 oz.; AG comment: Package size same; price increased to $2.79 from $2.59.
- **Messer Foods'** Charles' potato chips went from 6.5 oz. to 6.0 oz.; AG comment: Package size unchanged.
- **Gerber Products'** strained baby food went from 4.5 oz. to 4.0 oz.; AG comment: Renamed line "Second Foods"; jar appears same.
- Private label **Shop-Rite's** premium dog food went from 6.5 oz. to 6 oz.; AG comment: Can size unchanged.
- **Ragu Foods'** spaghetti sauce meat flavor packaging went from 15.5 oz. to 14 oz.; AG comment: Jar size appears identical.

Source: New York state Bureau of Consumer Frauds & Protection report on "package shorting."

J&J sets nighttime Tylenol

By Patricia Winters

Johnson & Johnson is aiming to wake up the sleep aids market with new Tylenol P.M.

J&J's McNeil Consumer Products Co., which will start shipping the product to retailers in April, will support the introduction with a multimillion-dollar TV campaign, retail sources say.

A McNeil spokesman confirmed the launch but said Tylenol P.M. would get a "phased-in national introduction." He wouldn't give details.

Tylenol P.M. will contain "a gentle ingredient to help you sleep."

Tylenol P.M. will go up against a growing Excedrin P.M. from Bristol-Myers Squibb Co. The new entry will contain Tylenol's main ingredient, acetaminophen, plus "a gentle ingredient to help you sleep," trade literature says.

Excedrin P.M. is also acetaminophen-based.

This is McNeil's latest effort to extend the popular brand name into new categories, and comes at a time when Tylenol pain reliever is facing ever-increasing competition from products containing ibuprofen, such as American Home Products Corp.'s Advil.

Just last fall, McNeil expanded Tylenol's presence in the cough-cold market with a variety of new

(Continued on Page 46)

LAST MINUTE NEWS

Zuckerman eyes 'News'

NEW YORK—Mortimer Zuckerman, real estate developer and *U.S. News & World Report* chairman, is a potential bidder for the Tribune Co.'s strike-bound *Daily News*. "We've had preliminary discussions with the *News*, but we haven't really determined our level of interest," said Fred Drasner, president of *U.S. News & World Report*. Tribune Co. plans to shutter the tabloid on or around March 20 unless it finds a buyer or settles with its nine striking unions. The unions have said they would like to acquire a stake in the paper if a buyer is found. British media mogul Robert Maxwell is also said to be interested.

Peugeot talks to shops

LYNDHURST, N.J.—Peugeot Motors of America is visiting agencies in what may be a prelude to a review of its $25 million account, now at Lord, Dentsu & Partners, New York. Lord Dentsu Chairman Dick Lord said the client informed him of plans to see other agencies, but "right now, they're committed to us." Sources said Peugeot's search has been encouraged by Paris-based Eurocom, which pulled out as a partner in Lord Dentsu predecessor HDM in

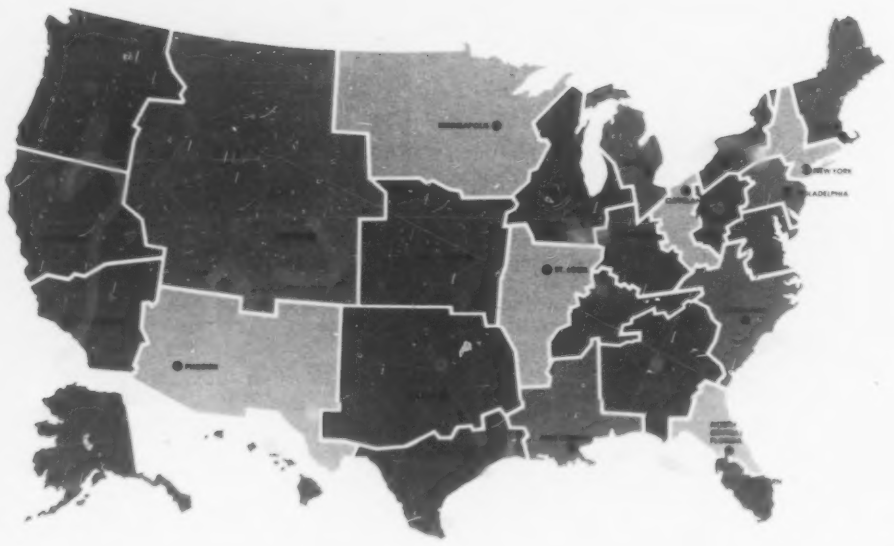
(Continued on Page 8)

INSIDE

Rapid growth has 900 numbers working out kinks
After Page 32

Coupon use rises P. 12 • **Hearst president explains his role** P. 20 • **Newsstand sales falter** P. 37

NOT SINCE THE CIVIL WAR HAS THE COUNTRY BEEN THIS DIVIDED.



USA TODAY offers advertisers 26 regions in the U.S. to choose from, plus Europe and Asia. Which means regional marketers can benefit from the color, size and prestige of the nation's #1 newspaper. Whether it's four color or black and white; full page, horizontal half page or tabloid; one market or 28 — now you can buy USA TODAY. Because we've made it easy to divide. And conquer.

USA TODAY®

PEOPLE GET INTO IT BECAUSE THEY GET SO MUCH OUT OF IT.

For advertising information, call Patricia Haegele, Sr. VP/Advertising at (212) 715-5380.

NEWS SUMMARY

■ **Downsizing,** or reducing package weights without decreasing sizes or price, is the subject of proposed legislation in New York and is under investigation by attorneys general in several other states. 1

■ **Johnson & Johnson** will introduce Tylenol P.M., containing a sleep aid, to go against Excedrin P.M. Marketing efforts start in April. 1

■ **CNN correspondent Peter Arnett's** reporting from Baghdad has led to protests from the public to at least three CNN advertisers. 1

■ **U.S. Postal Service** may seek another rate hike next year, direct mailers and newspapers fear. 3

■ **Wal-Mart,** now the nation's No. 1 retailer and planning further expansion, has the lowest ratio of ad spending to retail sales among its peers. 3

■ **Hachette Magazines,** the U.S. unit of the French publisher, has made more executive changes. 3

■ **Toy marketers** are tying their biggest new-product lines to upcoming movies and hit TV programs. 3

■ **Adidas** will introduce worldwide a new footwear and apparel line under the Equipment name. 4

■ **Babbit & Reiman** employees will give up 5% to 6% of their pay in return for a share of the agency's profits. 4

■ **Keye/Donna/Pearlstein,** being acquired by Livingston & Co., saw business shrink in recent years. 4

■ **Carter Hawley Hale Stores'** Chapter 11 filing included $8 million in unpaid bills at the *Los Angeles Times* and Cole & Weber, but agencies and media are learning to accept bankruptcy reorganizations as a cost of doing business. 6

■ **Coupon use** is increasing, according to a survey of supermarket shoppers. 12

■ **Cruise lines** are cutting back European tours but are optimistic about North American sea travel. 16

■ **Kmart** plans an environmental campaign that will include joint programs with suppliers. 33

■ **Single-copy sales** for the last half of 1990 were down for most of the top 20 magazines. 37

■ **Magazines** must build stronger individual identities to survive, according to a survey of marketing and advertising executives by Myers Marketing & Research. 42

■ **ConAgra** will test a Healthy Choice ice cream-like frozen dessert this spring. 43

■ **Procter & Gamble** will tie in with Keep America Beautiful for a multibrand environmental promotion. 43

■ **Sears** began an ad campaign to promote its catalog division, countering rumors that the retailer will sell or close the unit. 45

■ **WPP Group,** still facing financial pressures, has pared its executive lineup. 47

DEPARTMENTS

Ad Review	50	For the Record	45
James Brady	28	Forum	25
Brady's Bunch	38	Letters	25
Classifieds	40	MediaWorks	37
Con-Sid-erations	24	People Moving	38
Corrections & Clarifications	25	Retail Marketing News	33
Rance Crain	28	Sales Promotion News	36
DataWatch	50	The Next Trend	28
Editorials	24		

Contents copyright 1991 by Crain Communications Inc. All rights reserved.

Vol. 62, No. 8—ADVERTISING AGE (ISSN 0001-8899) is published weekly (except special issues the fourth week in January and the fourth week in September) by Crain Communications Inc. at 740 Rush Street, Chicago, Ill. 60611-2590. Second-class postage paid at Chicago and additional mailing offices. Postmaster: Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. $2.50 a copy, $79 a year, $130 two years. Add $126 per year for air delivery to Europe & Middle East. Add $54 for surface mail to all other foreign countries. WILLIAM STRONG, VP-circulation; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207-3185 1-800-678-9595. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, Ohio 44691. AD AGE is available for electronic retrieval on the NEXIS® Service, Mead Data Central, Inc., P.O. Box 933, Dayton, Ohio 45402 (800 227-4908).

Bankruptcy blues

Agencies cope as marketers head for court

An Advertising Age roundup

When Carter Hawley Hale Stores filed for Chapter 11 bankruptcy reorganization last week, it left a total of $8 million in unpaid bills at the *Los Angeles Times* and WPP Group's Cole & Weber.

By late in the week, however, interim financing came through and the media again were accepting ads as the West Coast department store chain began hyping Presidents' Day sales as if nothing had happened.

"It's business as usual," said Scott Marshall, president of Cole & Weber, a Seattle shop socked with $3.5 million in debts for broadcast media it placed for the retailer's northern California Emporium and Weinstocks divisions.

As more major advertisers sort out their financial dealings in bankruptcy court, ad agencies and the media are learning to accept such actions as a cost of doing business.

Della Femina, McNamee, New York, last month saw two clients —G. Heileman Brewing Co. and Pan Am Corp.—plunge into Chapter 11. Chairman Jerry Della Femina said Pan Am was "very current" when it filed, while Heileman owed the agency $563,754.

Mr. Della Femina said Heileman "was not a bad hit."

"I'm sure we'll get it back," he said. "You're talking about a client that spends $20 million to $30 million" annually.

Mr. Della Femina said the agency has grown accustomed to working with clients in Chapter 11.

"We're comfortable, otherwise we wouldn't be working with them," he said.

At Cole & Weber, with $95 million in billings and estimated gross revenues of $14 million, Carter Hawley's unpaid bills appear more burdensome. But Mr. Marshall insisted his agency can absorb the situation with no cutbacks.

"They've been a very good client for us," he said. "We're not terribly distressed."

An executive with close ties to Cole & Weber said the agency can weather the storm—assuming the client eventually repays most of its debt.

"In the end, they'll get paid," he said, though "they'll probably get the nasty letter from Martin Sorrell," chief executive of WPP.

WPP, facing it's own debt problems, has leaned on its agencies to avoid accounts where they risk not getting paid.

New York-based J. Walter Thompson Co., another WPP unit, twice recently has steered clear of accounts where it had financial concerns, though it has been hit in other bankruptcies.

Last year, JWT refused to accept the Continental Airlines account; by year's end, Continental was making its second appearance in bankruptcy court.

"The reality of doing business is that you have clients in various stages of success."

Late last year, JWT also let go of the $60 million media buying account of troubled Bally's Health & Tennis Corp.

Wells, Rich, Greene, which won the Continental business, is said to be owed between $6 million and $7 million by the airline.

Lintas:Ceco Communications, Warren, Mich., was owed $1.34 million when Continental filed for Chapter 11. But the agency continues to handle the direct marketing assignment.

Eugene Beard, chief financial officer at Interpublic Group of Cos., which owns Lintas:Ceco, said the agency expects to get repaid.

"I think we were very cautious in the way we handled" the account, he said. "Could we have handled it better? I don't know, it happened very suddenly."

Lintas:New York has written off the $2 million Eastern Airlines owed it when that airline filed for bankruptcy protection in 1989, Mr. Beard said, stressing that's a small amount of money for a company the size of Interpublic.

As for the media, Times Mirror Co.'s *Los Angeles Times* needs Carter Hawley as much as the department store needs the newspaper.

Carter Hawley's The Broadway-Southern California is both the region's biggest department store chain and, a Times Mirror spokeswoman said, "one of our biggest advertisers."

The Broadway spends nearly

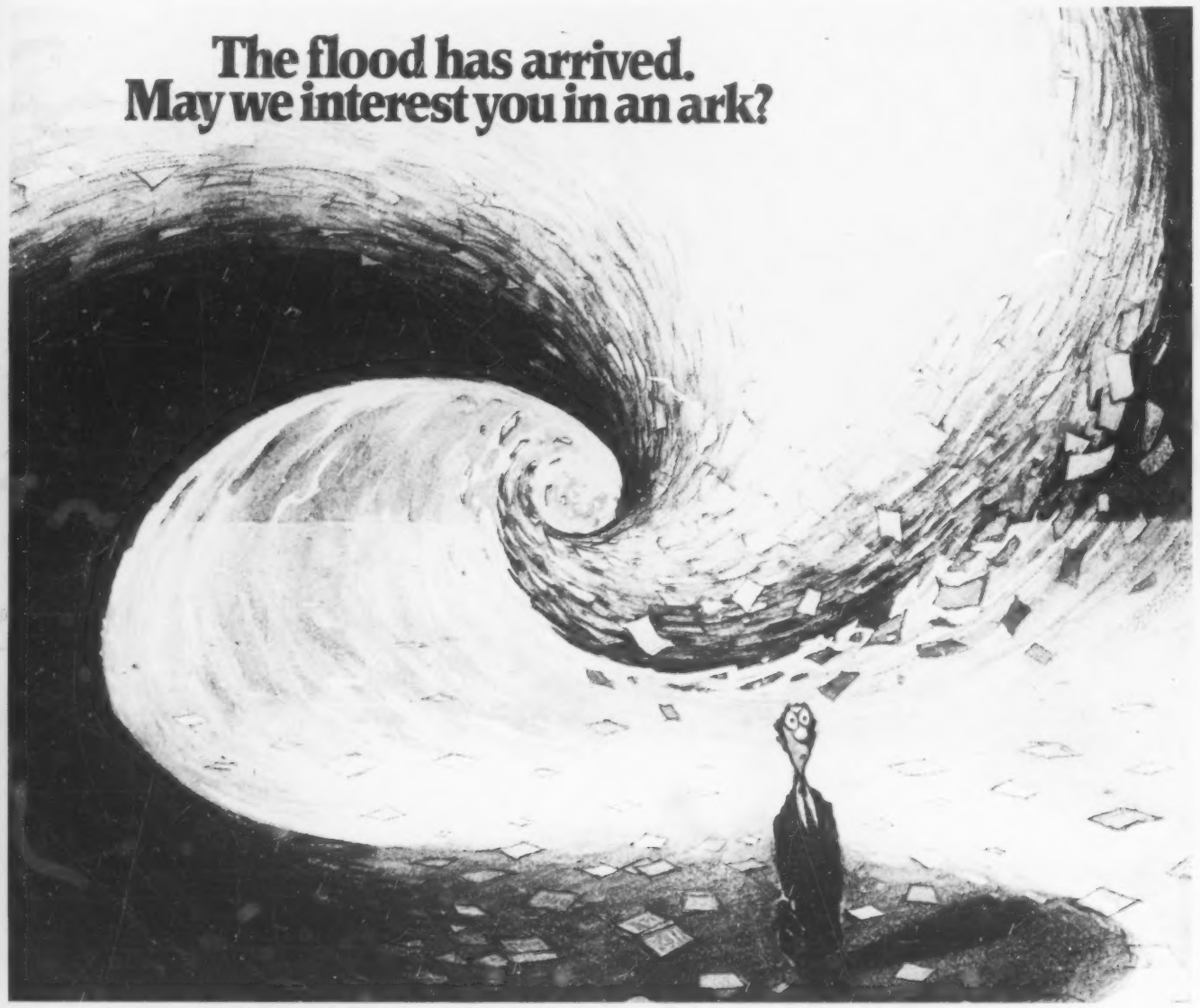
(Continued on Page 8)

Chapter 11 woes

Recent Chapter 11 bankruptcy reorganizations and how they hit agencies and media.

Company	Filed	Agencies & media owed
Carter Hawley Hale Stores	Feb. 1991	Los Angeles Times, $4.5 million; Cole & Weber, $3.5 million
G. Heileman Brewing Co.	Jan. 1991	Della Femina, McNamee, $563,754; WGN-AM, $173,521
Continental Airlines	Dec. 1990	Wells, Rich, Greene, $7 million; Lintas:Ceco, $1.34 million
Eastern Airlines	March 1989	Lintas:New York, $2 million

Source: Bankruptcy filings and industry estimates



You are currently the target of thousands of pieces of information a day. So we'll get straight to the point.

You can sit by and find yourself inundated by all that. Or you can choose the perfect vessel to navigate it: Dow Jones News/Retrieval.*

We're the only computer-based information service specifically designed to meet the needs of people in business and finance.

And given the business world's obsession with wanting everything yesterday, we attach special urgency to speed. Within seconds, we bring developments from across the country and around the world to your computer. Thoroughly researched news of companies, industries, government actions, and markets—including detailed data and current stock quotes on thousands of companies.

We're also the only information service that offers the full text of *The Wall Street Journal*® and Dow Jones® News Services—which can't get you what you need yesterday, but certainly gives you a head start on tomorrow.

But business decisions often require a perspective broader than the present alone. So we also provide hundreds of other rich information sources: periodicals, surveys, statistical abstracts—information on practically everything from acquisitions to Zurich gold fixings.

The result is an entire, up-to-the-second business reference library shrunk to the size of a personal computer. One that gives you in seconds what might otherwise take months to acquire. And lets you manage that information instead of having the information manage you.

So the next time you feel yourself drowning, reach for that life preserver on your desk with all the buttons on it. And call Dow Jones News/Retrieval at 1-800-522-3567, Ext. 741.*

Dow Jones News/Retrieval®
The lifeblood of business.℠
Another Service from Dow Jones Information Services

*In New Jersey, 609-520-8349, Ext. 741 © 1991 Dow Jones & Company, Inc. All rights reserved

LAST MINUTE NEWS

(Continued from Page 1)

December. Eurocom may be steering Peugeot to talk to agencies Eurocom is interested in buying, the sources said.

CNN Int'l, MCI ink deal

NEW YORK—CNN International, Turner Broadcasting System's special 24-hour international news network, signed MCI as its **first global advertiser**. The communications company bought time on the "International Business Report," said Kay Delaney, senior VP, Turner International advertising sales. MCI's two-year deal is worth $8 million, Turner sources said.

Admen fight AIDS

NEW YORK—Twenty top-level creative directors are joining together to use ads to fight the spread of AIDS. The group's working title is **Ads Against AIDS**. Members include Philip Dusenberry, ceo of BBDO Worldwide's office here; Helayne Spivak, exec VP-executive creative director, Young & Rubicam; and Sean Fitzpatrick, vice chairman, McCann-Erickson Worldwide.

Sony sets review

PARK RIDGE, N.J.—Sony Corp. of America is reviewing agencies for its $15 million to $20 million account as part of efforts to expand its U.S. **consumer electronics** presence. Apparently out is Burkhardt & Christy, New York, which had handled magnetic products. Reportedly in the review are current agencies Geer, DuBois; Mingo Group; and Slater Hanft Martin, all New York, and non-Sony shops Leo Burnett USA, Chicago, and Della Femina, McNamee, New York.

Carl's Jr. seeks new shop

ANAHEIM, Calif.—Carl Karcher Enterprises is reviewing its **$20 million** Carl's Jr. fast-food account, previously at Della Femina, McNamee, Los Angeles. Carl's Jr. and Della Femina said the decision to split was mutual.

Colliver drives to Ayer

DETROIT—Dannielle Colliver, 48, was named president of N W Ayer's office here from manager-passenger advertising for General Motors Corp.'s **Chevrolet** division. She succeeds Robert Kingsbury, who retired.

Scali sees four options

NEW YORK—Scali, McCabe, Sloves Chairman-CEO Marvin Sloves last week denied either Chiat/Day/Mojo or Lowe Group was in discussions to buy Scali from WPP Group. Mr. Sloves acknowledged longtime talks with **Eurocom** and said the French agency is one of four options "to get us out from WPP, which is my single-minded goal." The others are U.S.-based agencies and private investors, he said, declining to elaborate. He said no formal offers have been made.

Louis-Dreyfus pays

LONDON—Saatchi & Saatchi Co. Chief Executive Robert Louis-Dreyfus agreed to pay the U.S. Treasury $213,750 after being accused of **insider trading**, but admitted no wrongdoing. He allegedly told a friend, Adina Cohen, in 1988 about the impending acquisition of IMS International, a market research company. As president, Mr. Louis-Dreyfus arranged to sell IMS to Dun & Bradstreet for $1.7 billion in 1988. His credibility wasn't seen as being seriously tainted, since he wasn't accused of profiting from insider trading.

Vick joins Levine

NEW YORK—Levine, Huntley, Schmidt & Beaver named **Edward Vick**, 46, ceo-president, succeeding Robert Schmidt, who joined client Dreyfus Corp. last month. The agency was renamed Levine, Huntley, Vick & Beaver. Vice Chairman-Chief Creative Officer Allen Beaver, who had planned to leave, said he will stay indefinitely.

Bag those gas masks

Israelis have solved the Persian Gulf War's fashion crisis—how to carry your gas mask in style.

"People got tired of having to openly carry around these death toys," said Martha Meisel, a consumer affairs columnist for the *Jerusalem Post*, an English-language daily. "All the department stores and office supply stores are doing a mad business in the bags. . . . Many people are grabbing them up just as collector items."

Modan has produced more than 100,000 waterproof nylon bags and is running "three factory shifts to keep up with the craze," said Oded Shapira, Modan's deputy managing director. The bags, priced at $4 each, are available in 16 colors.

A $2 white plastic carton is being sold by Pol Sakit through the Co-op department store chain.

"We have gone one step better by adding graphics to our boxes with the slogan [in Hebrew] 'Patriot—that's me,' " referring to the Patriot missiles helping protect Israel from Scud missile attacks, said Aaron Grossbard, Pol Sakit managing director.

While neither Modan nor Pol Sakit has advertised its bags, the *Post* earlier this month started advertising a heavy canvas bag sold for $9 through its mail order department. The campaign is created in-house.

"We are not in it for the profit, and all revenue after costs is going to new Russian and Ethiopian immigrants through our 'Welcome Home' [immigrant assistance fund]. We even gave a free one to Mayor Dinkins of New York when he visited for a day," a spokesman for the newspaper's mail order department said.

—Seymour Gottlieb

NEWSLINE

Marshalls, Andover, Mass., to **Hill, Holliday, Connors, Cosmopulos**, Boston, from AC&R, New York, as agency of record for the chain's $22 million account. . . . **Albertsons**, Boise, Idaho, to **Kresser/Craig**, Los Angeles, from Foote, Cone & Belding for the supermarket chain's account. FCB said spending was $9 million-plus; Kresser/Craig said it's $15 million to $20 million. . . . **Choice Hotels** today breaks a $3 million TV campaign to aid Persian Gulf troops and their families. Five dollars will be contributed to a special fund for each reservation made via a toll-free number through March 31. Gray Kirk & Evans, Baltimore, handles.

GLOBAL NEWS

John Clemenger, 61, national media director of Clemenger BBDO Group, Melbourne, is retiring. **Russell Norton-Old**, Clemenger's Melbourne media director, succeeds Mr. Clemenger as national media director; **Peter Harvie**, managing director of the Harvie subsidiary, will add Mr. Clemenger's title of chairman of that unit. Mr. Clemenger will remain on the boards of Clemenger and Harvie. . . . **Unitel**, London, to **Woolams Moira Gaskin O'Malley** for the $40 million launch next year of a personal communications network in the U.K. . . . **Omega Watch Corp.**, Biehl, Switzerland, to **Scholz & Friends**, Hamburg, for its estimated $30 million worldwide account, previously handled on a free-lance basis. . . . **Courage Ltd.**, London, to **Young & Rubicam** from BMP DDB Needham for its $20 million Foster's beer account. . . . **Colgate-Palmolive** will roll out Acti Brush anti-plaque mouth rinse across Europe after last year's launch in France.

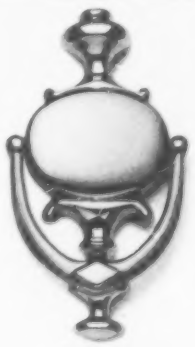
MEDIA NEWS

Buzz, Los Angeles, the upscale lifestyle magazine that made its debut in October, suspended publication with its February/March issue because it can't find new investors. Publisher Susan Gates blamed the Persian Gulf War and the economy, but said she's confident the magazine will find new investors and be relaunched soon. . . . **Dossier**, Washington, cited the ad climate in announcing the monthly will cease publication with its March issue. . . . **Financial News Network Inc.**, New York, agreed in principle to sell FNN's cable programming and business radio network to a joint venture of Westinghouse Broadcasting Co. and Dow Jones & Co. for an estimated $90 million. Separately, FNN and its parent, Infotechnology, agreed to sell their 51% stake in the **Learning Channel** to the Discovery Channel, Bethesda, Md., for about $12.8 million.

PEOPLE

Robert Smith to exec VP-marketing, 20th Century Fox Film Corp., Los Angeles, from VP, Cimarron/Bacon/O'Brien. He succeeds **Cynthia Wick**, who left. . . . **Leonard Forman**, 45, to president, Newspaper Advertising Bureau, New York, from exec VP. He succeeds **Craig Standen**, who left. *(For more people news, see Page 38.)*

The old office



The Home Office

Today there's a new way of doing business. You're just as likely to find an executive working in a suburban colonial as in an urban skyscraper. And these home workers are just as likely to be purchasing office equipment and services as their corporate counterparts. Because technology is the key to their success.

With growth exceeding 15% annually, these 34.8 million home office buyers are changing the face of business by spending an estimated $35 billion on office products.

Reach these decision makers in Home Office Computing, the only magazine written to serve their unique needs. Call Paul Reiss at (212) 505-3585.

Bankrupt

(Continued from Page 6)

$50 million annually in newspapers, with the *Times* the primary beneficiary. The paper, which wouldn't discuss the situation, has little choice other than waiting for the court to rule on repayment of the $4.5 million in outstanding debt.

"The reality of doing business is that you have clients in various stages of success," said Dan Fabian, VP-general manager of the Tribune Co.'s WGN-AM, which is owed $173,521 by Heileman.

He said that debt is a small portion of what the brewer spends on WGN.

Agencies are bound to be drawn into bankruptcy court as creditors, particularly when times get tough for clients, said Robert A. Goodman, president of Robert A. Goodman Associates, a New York accounting firm that handles dozens of ad agencies.

"You can't very well go to every client and say, 'I want you to pay for your own media,' so in bad times, everyone gets stung," Mr. Goodman said.

There are ways to avoid getting stuck with the bill, however, some executives say.

"The question of making sure [agencies] have the client's money first has always been an uppermost thought in our minds," Mr. Goodman said. "Sometimes [agencies] are stupid about it and allow their clients to use the agency's money, which is ridiculous."

The normal relationship between agencies, clients and media is fraught with problems in the case of bankruptcy, said Howard Seife, a lawyer who heads the bankruptcy division of Winston & Strawn's New York office, which represents Della Femina.

"In dealing with the media, the question is, is the agency liable or the principal?" Mr. Seife said. "The relationship is generally unclear."

A former financial executive at a major New York agency said his shop always checked the credit of potential clients before pitching the business.

"We would . . . ask ourselves, 'Would I lend them money?' If we couldn't get [that information because it was] a private company, we wouldn't take the account," the executive said.

On a questionable client, the agency would set a maximum amount of credit and not exceed it. Or it would ask for a letter of credit that could be redeemed from banks when money was owed. Another option was to ask the client to place money in an escrow account to cover media bills.

Asked whether those demands upset potential clients, the executive said: "It indicated an element of financial acumen. I think they respect you." □

Written by Bradley Johnson with reports from Christy Fisher, Jon Lafayette, Jennifer Lawrence, Gary Levin, Pat Strnad, Alice Z. Cuneo and Ira Teinowitz.